

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Cachuma Project, California

AGREEMENT BETWEEN THE UNITED STATES AND THE GOLETA WATER DISTRICT
TO TRANSFER TITLE OF THE FEDERALLY OWNED DISTRIBUTION SYSTEM TO THE
GOLETA WATER DISTRICT

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7 GOLETA WATER DISTRICT

8 THIS AGREEMENT (hereafter referred to as “Agreement”) is made this _____
9 day of _____, 2007, in pursuance generally of the Act of June 17, 1902 (32 Stat.
10 388) and acts amendatory thereof or supplementary thereto, including the Act of August 26,
11 1937 (50 Stat. 844), as amended; the Act of August 4, 1939 (53 Stat. 1187), as amended; and the
12 Act of October 12, 1982 (96 Stat. 1263), as amended, all collectively referred to as the Federal
13 Reclamation laws, between the UNITED STATES OF AMERICA (hereafter referred to as the
14 “United States”) and the GOLETA WATER DISTRICT (hereafter referred to as the “District”),
15 a public agency of the State of California, duly organized, existing, and acting pursuant to the
16 laws of the State of California, with its principal place of business at Goleta, Santa Barbara
17 County, California.

18 WITNESSETH that:

19 EXPLANATORY RECITALS
20

21 WHEREAS, the United States has constructed and is operating the Cachuma Project,
22 (“Project”) for diversion, storage, carriage, and distribution of waters of the Santa Ynez River
23 and its tributaries for irrigation, municipal domestic, and industrial use, and;

24 WHEREAS, the United States constructed the Distribution System to convey water to
25 meet the water needs within the District; and

26 WHEREAS, the District and the United States entered into Contract No. I75r-4561, dated

April 10, 1952, which provides for the District's operation and maintenance and its repayment of the construction costs of the aforementioned Distribution System; which contract is hereinafter referred to as the "Existing Repayment Contract;" and

WHEREAS, the District has operated and maintained the Distribution System constructed pursuant to the Existing Repayment Contract since February 29, 1956 and has demonstrated its capability to perform such operation and maintenance in a manner satisfactory to the United States; and

WHEREAS, the Goleta County Water District changed the name to Goleta Water District as provided under Board Resolution, dated October 16, 1980; and

WHEREAS, the District has requested the United States to transfer to the District all right, title, and interest in and to the Distribution System constructed and operated and maintained pursuant to the Existing Repayment Contract; and

WHEREAS, the Santa Barbara County Water Agency and the United States have heretofore entered into a water service Contract number 175r-1802R, hereinafter referred to as the "Existing Water Service Contract" pursuant to Federal Reclamation laws, for the furnishing to the District by the United States of a supplemental water supply from the Project; and

WHEREAS, the United States has determined that the transfer of the title requested by the District will not interfere with the District's capability to continue to operate and maintain the Distribution System and will require the continued delivery of Project Water consistent with the Existing Water Service Contract; and

WHEREAS, the United States has determined all obligations under the Existing Repayment Contract has been satisfied.

NOW, THEREFORE, it is mutually agreed that the United States will transfer all right, title, and interest in and to the Distribution System to the District pursuant to the terms and conditions set forth below: Provided, that this Agreement is ratified by the Congress; and Provided further, that the District passes a resolution approving this Agreement and accepting title.

DEFINITIONS

1. Unless otherwise noted, the following definitions apply to the terms used in this Agreement:

(a) “Secretary” or “Contracting Officer” means the Secretary of the Interior or a duly authorized representative;

(b) “Distribution System” shall mean the facilities constructed by the United States under the Existing Repayment Contract to enable the District to convey water to its water users which consists of 59 miles of cement mortar-lined tape wrapped steel pipeline and laterals. The pipelines are 2-inch to 25-inch diameter and consist of, end drains, pressure relief valves, air and vacuum valves, regulators, division gates, line valves, fire hydrants, and pump stations. The Pump Stations are identified as the San Antonio Booster Pump Station and the Glen Annie Pump Station (formerly Glen Annie Chlorination House). The Distribution system also includes:

(1) Fences and structures appurtenant to the Distribution System;

(2) All permits, licenses, rights-of-way, easements, leases and other real property interests allowing access to and/or use of the Federal property transferred to the District pursuant to this Agreement;

(3) All additions, replacements, betterments, and appurtenances to any

of the Distribution System lands, and properties;

(4) A copy of all data, plans, designs, reports, records, or other materials, whether in writing or in any form of electronic storage, relating specifically to Distribution System, lands, and properties in this definition and available in United States Bureau of Reclamation files;

(c) “Division Gates” shall mean valves normally closed which divide and separate two different pressure zones of the Distribution System;

(d) “End Drains” shall mean outlets with valves that provide drainage for the laterals located throughout the District;

(e) “The Pumping Plants” shall mean booster pump stations used to increase water pressure as identified in subdivision (b) of this Article.

(f) “The Pressure Relief and Air Vacuum Valves” shall mean valves designed to automatically relieve excessive air pressure and prevent pipeline implosions within the Distribution System;

(g) “Parties” shall mean both the United States and the District;

(h) “Project Water” shall mean that water appropriated by the United States for the operation of the Project;

(i) “Project” shall mean the Cachuma Project;

(j) “Transferred Works” shall mean those components of the Distribution System, which were transferred to the District for operation and maintenance pursuant to the terms and conditions of the Existing Repayment Contract.

(k) “Reclamation” shall mean the United States Bureau of Reclamation.

TERM OF AGREEMENT

2. This Agreement shall become effective if and when it is executed by the Secretary and after it has been ratified by the Congress, provided such ratification occurs within five (5) years from the date on which this Agreement is presented to the Congress for ratification.

TRANSFER OF RIGHT, TITLE, AND INTEREST
FROM THE UNITED STATES TO THE DISTRICT

3. (a) Within one hundred eighty (180) days of the effective date of this Agreement, the Secretary shall quitclaim to the District, by means of execution, delivery, and recordation of a document in the form substantially set forth in Appendix A attached, all right, title, and interest of the United States in and to the Distribution System, subject to the terms and conditions in this Agreement. This act of quitclaim is hereafter referred to as "Title Transfer."

(b) If either party advises the other party that any provisions in this Agreement must be modified to comply with any provision of the legislation ratifying its execution by the Secretary, the Parties shall meet within thirty (30) days of the ratification of this Agreement to begin to negotiate changes, if necessary, to make it both consistent with the ratification and acceptable to the Parties. If modification of the Agreement can be achieved within the bounds of the Congressional ratification, no further Congressional approval shall be required.

(c) If, subsequent to Congressional ratification, but prior to Title Transfer, a material defect is found by the District in the Distribution System that was unknown at the time that this Agreement was ratified, the District may elect not to proceed with the Title Transfer without correction of the defect by the United States.

PAYMENT

4. The United States has not identified any miscellaneous revenues that would be due to the United States, at the time of Title Transfer.

RESPONSIBILITY FOR FACILITIES FOLLOWING TITLE TRANSFER

5. (a) The District shall assume responsibility for all duties and costs associated with the operation, replacement, maintenance, enhancement, and betterment of the Distribution System following Title Transfer. The District shall not be eligible for any Federal funding under Federal Reclamation laws to assist the District's activities above.

(b) The District's right to request and/or receive Federal assistance under Federal programs, (i.e., Federal Emergency Management Act programs), but not under Federal Reclamation laws, shall not be affected by Title Transfer, with the exception of any changes in eligibility attributable to the transfer of title to the Distribution System from Federal to non-Federal ownership. This Agreement will not interfere with the provisions of the Existing Water Service Contract, as amended, which will continue in full force and effect.

OFFICIALS NOT TO BENEFIT

6. No member of, or Delegate to Congress, Resident Commissioner, or official of the District, shall benefit from this Agreement other than as a water user or landowner in the same manner as other water users or landowners.

CONDITION OF DISTRIBUTION SYSTEM, LANDS,
AND ASSOCIATED RIGHTS-OF-WAY

7. (a) The Parties agree that the document(s) listed in Appendix A of this Agreement accurately describe(s) the lands held either in fee title or easement for the Distribution System.

(b) The Parties agree that the document (s) listed in Appendix B of this agreement accurately describe(s) the conditions of the Distribution System at the time of execution of this Agreement. Any significant changes in the condition of any portion of the

Distribution System prior to the time of Title Transfer shall be reflected by an addendum to such documents signed by the Parties prior to Title Transfer.

(c) The Parties agree that the documents listed in Appendix C accurately describe the past and present uses of the lands, easements and rights-of-way on which the Distribution System was constructed and are an accurate statement of Reclamation's most recent findings relative to the review, evaluation, and assessment of no known potential hazardous wastes that may be located on such lands, easements and rights-of-way.

ASSIGNMENT -- SUCCESSORS AND ASSIGNS OBLIGATED

8. The District may not transfer or assign this Agreement without the approval of the United States. Following Title Transfer, the provisions of this Agreement shall apply to and bind the successors and assigns of the District.

ACCESS TO DOCUMENTS RELATED TO THE DISTRIBUTION SYSTEM

9. (a) Within ninety (90) days following the effective date of this Agreement, Reclamation shall provide a complete written list of all leases, licenses, easements, and contracts with third parties (collectively referred to as "third-party agreements") related to the Distribution System. The District shall request from Reclamation within sixty (60) days of receipt of the complete list, delivery of those third-party agreements desired by the District relative to the ownership and/or operation and maintenance of the Distribution System. Reclamation shall provide a copy of each agreement or document requested by the District within sixty (60) days of the receipt of such request. The District shall reimburse the United States for all associated costs of duplication and delivery.

(b) Within sixty (60) days following the effective date of this Agreement, Reclamation shall provide the District reasonable access to all non-privileged United States

records pertaining to the design, construction, operation, and maintenance of, and specification for the Distribution System. The District shall notify Reclamation in writing of the specific records it wishes to have copied. Reclamation shall provide one copy each of all identified records within forty-five (45) days of the receipt of said request from the District. The District shall reimburse the United States for all associated costs of duplication and delivery.

(c) The Secretary shall retain custody of the records pertaining to the Distribution System for one (1) year following Title Transfer. Following that time, the records shall be stored in the Federal Records Center or United States Archives, as appropriate. The District shall retain a continued right to access records held by the United States. Upon a determination by the Secretary and the Archivist of the United States that the subject records are no longer needed by the United States, the United States shall offer said records to the District for permanent custody. The District shall reimburse the United States for the reasonable costs incurred with location, duplication, and delivery of such documents.

THIRD-PARTY AGREEMENTS

10. The United States shall assign to the District all of its rights, duties, obligations, and responsibilities which exist as a result of third-party agreements, including the granting of any right to use, cross, or occupy any of the facilities of the Distribution System. The District shall honor third-party agreements for the length of the agreement.

COMPLIANCE WITH LAWS AND REGULATIONS

11. Following Title Transfer, the District shall comply with all applicable Federal and State laws and regulations.

APPLICABILITY OF FEDERAL RECLAMATION LAWS FOLLOWING TITLE TRANSFER

12. Following Title Transfer, all provisions of the Federal Reclamation laws and

regulations as amended and supplemented, including, but not limited to, the applicable ownership and full cost pricing provisions of the Reclamation Reform Act of 1982 shall continue to be applicable to Project Water provided to the District.

LIABILITY

13. Effective on the date of Title Transfer, the District agrees that it shall hold the United States harmless and shall indemnify the United States for any and all claims, costs, damages, and judgments of any kind arising out of any act, omission, or occurrence relating to the Distribution System, except for such claims, costs, or damages arising from acts of negligence committed by the United States or by its employees, agents, or contractors prior to the date of Title Transfer for which the United States is found liable under the Federal Tort Claims Act, 28 U. S. C. 2671 et. seq.

CHARGES FOR DELINQUENT PAYMENTS

14. (a) The District shall be subject to interest, administrative, and penalty charges on delinquent payments. If a payment is not received by the due date, the District shall pay an interest charge on the delinquent payment for each day the payment is delinquent beyond the due date. If a payment becomes 60 days delinquent, in addition to the interest charge, the District shall pay an administrative charge to cover additional costs of billing and processing the delinquent payment. If a payment is delinquent 90 days or more, in addition to the interest and administrative charges, the District shall pay a penalty charge for each day the payment is delinquent beyond the due date, based on the remaining balance of the payment due at the rate of 6 percent per year. The District shall also pay any fees incurred for debt collection services associated with a delinquent payment.

(b) The interest charge rate shall be the greater of either the rate prescribed quarterly in the Federal Register by the Department of the Treasury for application to overdue payments or the interest rate of 0.5 percent per month. The interest charge rate will be determined as of the due date and remain fixed for the duration of the delinquent period.

(c) When a partial payment on a delinquent account is received, the amount received shall be applied first to the penalty charges, second to the administrative charges, third to the accrued interest, and finally to the overdue payment.

CONTINGENT ON APPROPRIATIONS OR ALLOTMENT OF FUNDS

15. The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the District from any obligations under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

NOTICES

16. Any notice, demand, or request authorized or required by this Agreement shall be deemed to have been given the Contracting Officer, when mailed, postage prepaid, or delivered to the Area Manager, South-Central California Area Office, Bureau of Reclamation, 1243 N Street, Fresno, California, 93721; and to the District, when mailed, postage prepaid, or delivered to the General Manager, 4699 Hollister Ave, Goleta, California, 93110. The designation of the addressee or the address may be changed by notice given in the same manner as provided in this article for other notices.

IN WITNESS THEREOF, the Parties have executed this Agreement of the day and year written in this Agreement above.

THE UNITED STATES OF AMERICA

By _____
Regional Director, Mid-Pacific Region
Bureau of Reclamation

(SEAL)

GOLETA WATER DISTRICT

By _____
Board President

Attest:

Secretary, Goleta Water District

APPENDIX A

1. Document displaying form of Quitclaim deed: This document accurately describes the lands held as rights of way, easements, or in fee title for the Distribution System as prepared, in consultation with the District, by the South Central California Area Office Lands Division.

APPENDIX B

2. Operation and Maintenance and Inspection: This document accurately describes the results of the most recent inspection for the operation and maintenance of the Distribution System and the most recent review of land use, including rights of way, easements, or in fee title.

APPENDIX C

3. Hazardous Waste Inspection: This document accurately describes the results of the most recent Hazardous Waste Inspection of the Distribution System and the most recent review of land use, including rights of way, easements, or in fee title.